

103^D CONGRESS
2^D SESSION

H. R. 3904

To provide that certain service or management contracts will not result in municipal water or wastewater facilities being treated as used in a private business use for purposes of the limitations on private activity bonds.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 24, 1994

Mr. JEFFERSON introduced the following bill; which was referred to the
Committee on Ways and Means

A BILL

To provide that certain service or management contracts will not result in municipal water or wastewater facilities being treated as used in a private business use for purposes of the limitations on private activity bonds.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. TREATMENT OF CERTAIN SERVICE OR MAN-**
4 **AGEMENT CONTRACTS.**

5 (a) GENERAL RULE.—The provisions of services
6 under a service or management contract shall not result
7 in any municipal water or wastewater facility being treated
8 as used in a private business use for purposes of section

1 141 of the Internal Revenue Code of 1986 if the require-
2 ments of section 5 of Revenue Procedure 93–19 are satis-
3 fied, except that, for purposes of this subsection, such
4 Revenue Procedure shall be applied—

5 (1) by substituting “fifteen” for “five” in sec-
6 tion 5.03, and

7 (2) as if it did not contain section 5.04.

8 (b) EFFECTIVE DATE.—The provisions of subsection
9 (a) shall take effect on the date of the enactment of this
10 Act.

○